

For consideration of the House amendment and the Senate amendment, and modifications committed to conference:

WILLIAM THOMAS,  
TOM DELAY,

*Managers on the Part of the House.*

CHUCK GRASSLEY,  
DON NICKLES,  
TRENT LOTT,  
MAX BAUCUS,  
BLANCHE L. LINCOLN,

*Managers on the Part of the Senate.*

#### VITIATION OF MOTION TO INSTRUCT CONFEREES ON H.R. 1308, WORKING FAMILIES TAX RELIEF ACT OF 2004

The SPEAKER pro tempore. Under clause 8 of rule XX, the filing of the conference report on H.R. 1308 has vitiated the motion to instruct offered by the gentleman from Kansas (Mr. MOORE), which was debated yesterday and on which further proceedings were postponed.

#### PRIVILEGED REPORT REQUESTING PRESIDENT TO PROVIDE CERTAIN INFORMATION TO HOUSE OF REPRESENTATIVES RESPECTING NATIONAL ENERGY POLICY DEVELOPMENT GROUP

Mr. BARTON of Texas, from the Committee on Energy and Commerce, submitted a privileged report (Rept. No. 108-697) together with dissenting views, requesting the President of the United States to provide certain information to the House of Representatives respecting the National Energy Policy Development Group, which was referred to the House Calendar and ordered to be printed.

#### PERSONAL EXPLANATION

Mr. BECERRA. Mr. Speaker, yesterday, September 22, during the final series of votes, I did not record a floor vote on rollcall No. 462, the Olver amendment to H.R. 5025, the Transportation and Related Agencies Appropriations Act for fiscal year 2005.

Mr. Speaker, had I recorded a vote on the Olver amendment, I would have unequivocally voted aye on rollcall vote No. 462, and wish to be recorded as such.

#### PROVIDING FOR CONSIDERATION OF H. RES. 785, WAIVING REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS

Mr. REYNOLDS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 785 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 785

*Resolved*, That the requirement of clause 6(a) of rule XIII for a two-thirds vote to consider a report from the Committee on Rules

on the same day it is presented to the House is waived with respect to any resolution reported on the legislative day of September 23, 2004, providing for consideration or disposition of a conference report to accompany the bill (H.R. 1308) to amend the Internal Revenue Code of 1986 to accelerate the increase in the refundability of the child tax credit, and for other purposes.

The SPEAKER pro tempore. The gentleman from New York (Mr. REYNOLDS) is recognized for 1 hour.

Mr. REYNOLDS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to my neighbor, the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume.

During consideration of this resolution, all time yielded is for the purpose of debate only.

(Mr. REYNOLDS asked and was given permission to revise and extend his remarks.)

Mr. REYNOLDS. Mr. Speaker, House Resolution 785 is a same day rule that waives clause 6(a) of rule XIII requiring a two-thirds vote to consider a rule on the same day it is reported from the Committee on Rules.

The rule applies the waiver to a special rule reported on the legislative day September 23, 2004, providing for consideration or disposition of a conference report to accompany the bill H.R. 1308, the Working Families Tax Relief Act.

This rule today is the first step to permit the House to consider a conference report that will infuse our economy with job creating tax relief, investment incentives and overall economic growth.

For well over a year, this body has been debating the relief provided by the Working Families Tax Relief Act and, with today's action, we once again display our continued commitment to strong economic growth. We also demonstrate to American workers, businesses and families that this Congress will protect their stability.

Mr. Speaker, through a series of tax cuts, this Congress has acted to create jobs and protect American families. Our strong leadership has resulted in the shortest and shallowest recession in our Nation's history. A delay in the consideration of this conference report for the Working Families Tax Relief Act will put American jobs and families and the strength of our economy at risk.

Mr. Speaker, I strongly urge my colleagues to support this rule so we may proceed with debate on this time sensitive tax relief package.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

(Ms. SLAUGHTER asked and was given permission to revise and extend her remarks.)

Ms. SLAUGHTER. Mr. Speaker, I thank my neighbor for yielding me time.

Mr. Speaker, we have before us a rule that allows for same day consideration

of a conference report for H.R. 1308, a bill to extend the middle-class tax provisions in the 2001 tax bill.

Mr. Speaker, I strongly believe that any time the body chooses to stray from the regular order of business, it had better be for a darn good reason. It had better be to respond to some catastrophic or emergency situation.

Things are dire out there for the 2.7 million Americans who have lost their good-paying manufacturing jobs since 2001. These workers live in a constant state of emergency and face the catastrophic prospect of losing their homes or sending their children to bed with empty stomachs. The fact the body has failed to extend unemployment insurance for nearly a year is a catastrophic failure, not a catastrophic success.

Mr. Speaker, there are a number of other bills languishing in conference committees that certainly warrant emergency consideration. What about the transportation bill? Immediate consideration of this bill could bring millions of Americans a step closer to getting back to work, because it is a job creation bill.

And what about addressing the WTO tariffs on American exports? Should we not take immediate action to clear the path for more of our manufacturers to export their goods?

Mr. Speaker, as you can see, there is no shortage of bills that could be justifiably brought to the House floor under martial law, but, unfortunately, the bill we have before us today fails to meet that standard.

Although I think everyone here in the House supports extending the middle class tax cuts, I do not like running roughshod over the rules of the House. What is this emergency? The earliest that any of these provisions would expire is December 31.

Mr. Speaker, the majority has not made its case for taking this extraordinary action. The conference report was filed late this afternoon. In fact, we do not have any paper on it at all. So that makes it impossible for us to even continue with the bill. But for a bill that is going to cost nearly \$150 billion, the majority owes it to us to provide us the time to read it.

For these reasons, I cannot support the use of a martial law rule.

Mr. Speaker, I reserve the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there are some points well taken, except we have been working 18 months on this legislation in bipartisan fashion in both bodies and we now have a conclusion. I also think we have certainly got strong opinions as we complete this of Members that will support this and Members that will not. I believe it will pass with some bipartisan support.

But also it is important that we have the opportunity that we can get our work done today, because otherwise my belief is that many would ask that we vote tomorrow, which, if we complete our work today, would keep an

orderly fashion of having our work done and Members also back into their districts.

So, as we move forward, it is my hope that we have a vote on the rule, and that the body will consider that we move forward with the opportunity of reviewing the conference report that was put together in a bipartisan fashion in both the other body and this body.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I am pleased to yield 5 minutes to the gentleman from Maryland (Mr. CARDIN).

Mr. CARDIN. Mr. Speaker, let me thank my friend from New York for yielding me this time.

Mr. Speaker, this is an extraordinary process that we use when we consider a bill the same day it is reported out. One of the concerns I have about the process is that I want to make sure the Members understand exactly what is in the bill that they are asking to be considered and the process that it went through.

I think it is important to point out that the underlying bill that we are talking about contains many important changes in the Tax Code that are supported on both sides of the aisle. There is no question that Democrats support an extension of the 10 percent bracket provision, child credits and marriage penalty relief, and certainly Alternative Minimum Tax relief, where more and more of our constituents are falling within the Alternative Minimum Tax, and extension of the so-called extenders, the research and others that would otherwise expire. That is without question. And there has been bipartisan efforts to try to make sure that those provisions in the Code are extended or made permanent.

But this is where the bipartisanship ends, because there has not been an effort made to do this in a way that is in the best interests of the taxpayers of this country.

Our only opportunity to raise these issues will be on the rules that are going to be presented today. My friend from New York will explain later the previous question votes we are going to ask to be taken, because that is going to be our only opportunity to raise the faults that are in the underlying bill, because, as I said, the substantive provisions are provisions that are supported by both Democrats and Republicans.

The first problem is that these are just temporary changes. We do not make them permanent. As my friend from New York pointed out, we have until the end of this year on most of these provisions. Some of the provisions are extended for a year, some for 2 years, some for a little bit longer, but none of them are made permanent. So, once again, we are not really confronting the issue of making this predictable for the taxpayers of this country.

But the more serious faults that will be raised by the previous questions

deal with the fact that despite the efforts that we have made in a bipartisan opportunity to pay for these tax cuts so we do not add to the \$400 billion annual deficit, we have offered ways to pay for these tax changes. The underlying bill is scored to add another \$150 billion to the deficit of this country. Where does this end?

Give us an opportunity to give proposals to offset the cost so that we are not adding to the red ink of the Nation. We should have that opportunity, and I think we could do that with a strong bipartisan vote in this body.

The second problem, Mr. Speaker, quite frankly, is that we did not correct a major problem with the Earned Income Tax Credit and to a certain degree with the refundable child credit, and that is we are not treating our military fairly.

We all talk in our districts and here on the floor about the tremendous sacrifices being made by the men and women who are in harm's way serving our military in Iraq and Afghanistan. They put their lives on the line for us every day, and we are thankful. But we should show it by deeds. We have pointed out that because of the tax treatment of military pay, our men and women who are in harm's way will not get the full relief provided under this bill. That is wrong.

The conferees from the other body made a suggestion that would have fixed this, one which is supported by the Democrats in this body. It is hard to believe that you get a more favorable tax treatment in the military if you serve in the United States than if you serve in Iraq. That is just wrong, and we should fix it.

But instead of accepting the reasonable offer made by the Members from the other body, because of the House position of the Republicans, we have a very small, temporary fix for 1 year that will not provide the full relief to our military, which is kind of complicated, quite frankly, adding to the complexity of the Code without fixing the problem.

That is wrong, and we should take care of that now. If there is an urgency, the urgency should be with our military and to make sure we do not discriminate against them.

So, Mr. Speaker, I take this opportunity to point out to my colleagues, yes, we will not have a lot of time to consider this bill. It was just reported out today. There are a lot of good provisions in this bill. But, once again, it is a missed opportunity. It is a missed opportunity for fiscal responsibility, it is a missed opportunity to correct a problem with our military pay, and I hope that you will support the request made by the gentlewoman from New York in regards to the previous questions so we can fix these errors.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I know that it is not a missed opportunity for those millions of taxpayers who are going to be as-

sisted by this. While I respect my colleague from Maryland, I think there is a couple of things we need to look at to set the record straight. I was prepared to do it as we do the rule on the legislation, but maybe now is a good time.

This bill provides nearly \$200 million in assistance for our military. This bill has 23 annual extenders for tax provisions that we have worked on in the past. It is going to address child tax credit that we have passed overwhelmingly in this House in a bipartisan provision. It is going to address the marriage penalty, which this House has, again, done in overwhelming provisions in past votes.

We have a 10 percent bracket, which is there. Without passage of the legislation, the bracket would start to fade until it is totally removed from the Tax Code, and that would affect 73 million families who will be paying higher income taxes next year. Over the next 10 years, these families will pay out a total of \$2,400 more in taxes. That is a bill that this House has passed in previous times.

When we look at the AMT relief which was created more than 30 years ago as a way to prevent high income taxpayers from avoiding income tax payments, something happened, and the failure to index AMT for inflation has resulted in millions of Americans paying for this onerous double tax.

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As a result, by 2010, one in three American taxpayers will be hid in the shadow of the AMT tax. Both in the 2001 and 2003 growth packages, Congress worked to ensure the new tax cuts would not force more taxpayers into the AMT trap. Yet, the provisions preventing millions of middle-class Americans from being hit with the AMT will expire at the end of this year. This is why the legislation is so critical, to prevent these Americans from being hit with the unsuspected tax.

So when we look at this legislation, when the House is scheduled to adjourn on October 1, and we look at this House that may extend itself a few days in closing, we need to also keep on track moving legislation that is ready for the body to consider.

I would also say that when we look at this, which was provided for, the paying of this, in the House-crafted budget that was adopted by this body, the extension of family tax relief is already provided for in the House-passed budget resolution. That resolution would cut the deficit in half over 5 years without raising taxes, so this bill is paid for.

The second aspect is the Democrats have agreed to extending the child tax credit, the 10 percent bracket, and the marriage penalty relief. However, to accomplish the offsets, they want means of more than \$130 billion in either tax hikes or spending cuts. The Democrats are not prepared to make the tough choices regarding which taxes to increase or which programs to

cut. We are going to talk about a procedural provision of whether we adopt this rule to consider same-day or not versus the aspect of an alternative, which I welcome as they bring their legislation before the House.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I am pleased to yield 5 minutes to the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. Mr. Speaker, to my distinguished friend from New York, I was at the tax conference last night, and I would just like to yield him enough time to respond. Did he say that this \$147 billion bill is paid for? No, I do not think so. I do not think he said that.

Mr. REYNOLDS. Mr. Speaker, is the gentleman asking me if I would yield on his time?

Mr. RANGEL. Mr. Speaker, I want to ask the gentleman whether or not he said to this body that this bill, this tax cut bill, which he gave all the virtues of what it does for the middle class and all of the corporations with the extenders, did he imply that this does not throw us \$147 billion further into deficit?

Mr. REYNOLDS. No, I will give the gentleman exactly what I said, if the gentleman will yield.

Mr. RANGEL. I yield to the gentleman from New York (Mr. REYNOLDS.)

Mr. REYNOLDS. Mr. Speaker, I said the extension of the family tax relief is already provided for in the House-passed budget resolution. That resolution would cut the deficit in half over 5 years without raising taxes. I believe that the previous speaker on the minority side, the gentleman from Maryland, made a statement that he felt that it was not paid for.

Mr. RANGEL. Well, reclaiming my time, I thank the gentleman, but let me join in with the gentleman from Maryland because, clearly, those of us that work on the committee know that there are a lot of virtues in this bill. True, we have a couple of poison pills in there that relate to unfair treatment of the young people who are married, who have kids, who are doing combat duty, and also by having the index on who is eligible for the refundable tax credit, having it move from 10,000 to 70,000; we exclude some 9.2 million children. Those are the poison pills that I think that a lot of Members are willing to swallow for the good that is in the bill.

But one of the most important things that Americans are missing and the majority does not hear about is who pays for these tax cuts. All tax cuts for working individuals have merit, but this bill, according to the Joint Committee on Taxation, will cost us \$149 billion. We tried as Democrats in the conference to take the loopholes, to bring the tax savings and to bring the revenues to make this revenue-neutral so that we could have the benefits without the deficit. But what happened

last night was that the Republicans said they wanted to save these revenue raises. They want to save these corporate loopholes for the next tax bill, which they call the jobs bill, which I call the offshore jobs bill, but the next bill, some call the FSC bill, but whatever they call this bill, they want to have that paid for as opposed to this bill.

So what I am saying is that it is close to election, and everybody wants to vote for a tax cut. The Republicans have so carefully and cynically, on the eve of an election, planned several tax cuts and make other tax cuts permanent in order to try to get the Democrats to vote no, not because we are against the tax cuts but because we have some sense of responsibility as citizens and legislators to believe in what Republicans used to believe in, and that is a balanced budget. I am too old to think it would happen in my lifetime, but as the Republicans put raising the debt ceiling on the back burner, as they put the size of the deficit spending on the back burner, all Americans should know that, as we enjoy this day of tax cuts that the gentleman from New York talked about, that our children will be paying for these for decades to come.

So I will suggest to my colleagues, it has to stop somewhere. We have a responsibility as legislators to try to leave a world better than the one that we inherited. We cannot do this with a \$200 billion war. We cannot do this by denying benefits to those low-income people who are fighting this war, who are in combat, and we cannot do it by leaving a legacy to our children and our grandchildren that they will have to pay.

I thank the gentleman from New York for responding. He may think we have paid for this in a big budget, but they sure did not pay for it last night.

Mr. REYNOLDS. Mr. Speaker, upon reflection and in listening to the distinguished gentleman from New York (Mr. RANGEL), the ranking member of the Committee on Ways and Means and one who is the senior member of the New York delegation, I agree with him that we should phase out and change the AMT tax, and I have watched him advocate a lot of other things. A few times I have not seen him want to pay for it except for raising taxes.

But the thing I heard most out of the debate was not about helping the American family put more money back into their pockets, not about the middle class, which some of the politicians outside this body would talk about middle-class warfare and all of the other type of class war discussion.

Today, if we are allowed to start the debate on this bill, we will begin to help the middle class because, otherwise, if the Congress does not act, families will face a tax increase next year. For example, next year, the \$1,000 child tax credit drops to \$700 per child. The 10 percent bracket will apply to less than an individual's income, and the

marriage penalty provision will provide less relief for couples.

I did not hear the aspect of a debate over how we get it done out of the distinguished ranking member. What I heard was the Democrats may look bad however they vote versus a decision of whether you are going to help the middle class today with a tax cut or whether you are going to raise taxes by not getting the job done. I hope we will pass this same-day rule so we can bring the legislation to the floor.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Tennessee (Mr. FORD).

Mr. FORD. Mr. Speaker, I thank the gentlewoman for yielding me this time.

This is a sad day for this body, and a sad day for the country in many ways, I think. The gentleman from New York (Mr. RANGEL) and others have touched on it. I have not spoken on the floor in a long time on very much, but I heard the gentleman from New York (Mr. REYNOLDS) talk about tax increases.

What we are afraid to say today is that we are actually raising taxes on people who earn less than \$11,000 a year. As hard as it is to believe that Republicans, who tout themselves as tax-cutters over and over and over and over again to the point that they would even call some of us to accept a round of tax cuts, fully aware that they will increase the budget deficit by \$150 billion; they could not find it in their hearts to find \$4.3 billion over 5 years to 9.2 million of the poorest children in this country whose parents, I might add, work every day. They do not sit around waiting on a check, I say to my colleagues; they work just like you and I do, and all they ask is for the same ability to avoid a tax increase.

So I would say to the gentleman from New York (Mr. REYNOLDS) and his friends, you are raising taxes as you would accuse us of doing, on people who earn \$11,000 a year or less.

But I say to my Democratic colleagues, we should not be so saddened by this, because you will remember that the President has had a change of opinion on a variety of issues. When Enron and WorldCom collapsed, the President initially opposed any changes to ensure that the big corporate cheaters who robbed pensionholders and shareholders and workers of their savings, he initially said no to reform. And then he flip-flopped; he said yes.

When the Homeland Security Department was offered as an idea, Mr. Speaker, the President initially opposed that, and then he flip-flopped in favor of the right thing to do and decided to support it. When the 9/11 Commission idea was offered by many Members, including Tim Roemer, as an idea to help America atone and reconcile, he said, no way, and then he flip-flopped and said we should create one. When the 9/11 Commission made recommendations about how to change

the intelligence structure in this country, the President said no way will we have a central director of intelligence or one with budgetary authority, and thank God, he flip-flopped.

So I say to my friend, and I would ask my friend, and he is a friend of the President, give us one more flip-flop. There is still an opportunity to not raise taxes on people earning \$11,000 a year or less, Mr. Speaker, 9.2 million children, \$4.3 billion over 5 years.

If all of us just decide to give up one project in our districts from all the pork we pass in this Congress, we can probably accommodate it.

Mr. Speaker, one more flip-flop is all we ask for: \$4.3 billion over 5 years. You have my support, and I promise you I will not call you a flip-flopper on this one if you will just do it for the kids.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

I hope my colleague will take the opportunity to brief himself on the income tax savings for middle-income families, a Joint Economic Committee study done by the gentleman from New Jersey (Vice Chairman SAXTON) of the Joint Economic Committee of the Congress; possibly that will provide him some assistance on some of the points that he has made.

The impending tax increases, unless Congress takes action, the following tax increases will automatically occur. I want all of my colleagues from all walks of life to look at what actually is at risk here if this legislation is not passed before we adjourn. The impending tax increases, unless Congress takes action, the following increases will automatically occur: In 2005, the child tax credit will decrease from \$1,000 to \$700.

The standard deduction for couples as a percentage of the standard deduction for singles will decrease from 200 percent to 174 percent, reinstating the marriage penalty. The top end of the 15 percent marginal income tax bracket for couples as a percentage of the top end for singles will decrease from 200 percent to 174 percent, reinstating the marriage penalty.

The 10 percent marginal income tax bracket will contract from covering the first \$7,000 of income for singles and \$14,000 for joint filers to covering only the first \$6,000 of income for singles and \$12,000 for joint filers.

The bonus depreciation will decrease from 50 percent to 30 percent.

The exemption of the alternative minimum tax will decrease from \$40,250 to \$33,750, Mr. Speaker, for single filers, and from \$58,000 to \$45,000 for married couples filing jointly.

In 2006, the section 179 small business expensing cap will decrease from \$100,000 to \$25,000, and the definition of small business will decrease from \$400,000 to \$200,000.

In 2009, the personal capital gains rate will increase from 15 percent to 20 percent. Dividends will no longer be taxed on the personal capital gains

rate, thereby increasing the double taxation of dividends by as much as 62 percent.

In 2011, the marginal income tax rates will increase as follows: 35 percent bracket will increase to 39.6 percent; 33 percent bracket will increase to 36 percent; 28 percent bracket will increase to 31 percent; the 25 percent bracket will increase to 28 percent; and the 10 percent bracket will increase to 15 percent.

The child tax credit will decrease from \$1,000 to \$500. The annual education IRA contribution limit will decrease from \$2,000 to \$500.

The standard deduction for couples as a percentage of the standard deduction for singles will decrease from 200 percent to 167 percent, reinstating the marriage penalty. The top end of the 15 percent marginal income tax bracket for couples as a percentage of the top end for singles will decrease from 200 percent to 167 percent, reinstating the marriage penalty.

□ 1500

The estate tax using the stepped-up basis will return with a 60 percent maximum rate, including surtax, and a \$1 million exemption after years of decreasing estate tax rates, increasing exemptions, and one year using the more fair carry-over basis to calculate the tax due. The annual IRA contribution limit will decrease from 5,000 to a post-2008 inflation of 2,000.

So we can see that if Congress takes action, we will help all taxpayers that are paying taxes to put money back in their pocket versus having it in the government. As we consider whether we have a same-day, I again urge the adoption of this rule so we can consider the underlying legislation in the next rule.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. FORD).

Mr. FORD. Mr. Speaker, I enjoyed the answer of the gentleman, and I just want to engage him in a brief colloquy. That was an answer to a question I did not ask.

I simply asked the question, why are we raising taxes on families earning \$11,000 a year or less? When given the opportunity to cut taxes for them in the form of a child tax credit beginning in 2005, you chose and your side chose not to extend the tax cuts to them, \$4.3 billion over 5 years. I am using only your language. In essence, you are raising taxes on people who earn \$11,000 a year or less.

Now, if the gentleman would answer that question, I am probably going to vote for the bill. I just do not know why we cannot add an additional \$4.3 billion. What is \$4.3 billion amongst friends when you are spending all that you are spending for everybody else? The poorest families in the country, 9.2 million children, it is \$4.3 billion over 5 years. My understanding, I was not

there, but every press report says that the Republican leadership in the House did not support the Republican chairman of the finance committee in the Senate.

All of this is big talk to the people at home. What it means is we are raising taxes on people who earn \$11,000. So if you are watching, if you can afford a TV or you know somebody that earns \$11,000 a year, they are raising taxes on you this afternoon.

I would yield to my friend, I would ask him why are you raising taxes on people who earn \$11,000 a year or less in this country?

I would not want to answer it either. So I say to my friend, I hope in light of the litany of things I mentioned with my friend, the President, we need one more flip-flop. One more flip-flop can save monies for families earning \$11,000 a year or less. I am blessed. I am not in that category. Those of you who support things we have supported in the Congress and friends we have outside of it, we are not in that category. But for those who are, we are raising taxes this evening in this Congress on behalf of people who earn \$11,000 a year or less who work day in and day out.

I would not want to defend it either. And the gentleman from New York (Mr. REYNOLDS) is my friend. I do not blame him. I would not want to defend it either.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I look forward to this gentleman and any others coming to the Committee on Rules if we get consideration of the same-day so we can hear any amendments that they would like to discuss. But as we well know, a conference report is not amendable, so it will be an up or down vote.

I do not know many taxpayers that are \$11,000 that have to pay an income tax that we are considering. I thought the earned income tax credit is a refundable tax credit offered by the Federal Government; I know New York has its own EITC, and that rate is 27.5 of a qualifying taxpayer's Federal EITC in the tax year 2002 and that the Federal and State EITC or for the working people that earn low or moderate income. So I certainly will continue to listen to my colleague, as I always do on his thoughts, both on this as an individual, Member to Member, but also anything he would like to bring on the floor of the debate when the distinguished Committee on Ways and Means will continue in what I believe will be a proper debate.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. REYNOLDS. I yield to the gentleman from Tennessee.

Mr. FORD. Folks who are enjoying part of this tax credit today, in 2005 will see that tax cut decrease or eliminated all together. Which, if I understand the definition of a tax increase, that indeed is a tax increase on people earning \$11,000 a year or less.

So can we at least agree that this is a tax increase on people who earn

\$11,000 a year, on people who work and earn \$11,000 a year or less in this country?

I might add, I invite the gentleman to my district, and anyone else who may choose to come, and we can hold a town hall meeting, and I will amass, unfortunately, a decent-sized group who are affected negatively by this.

I yield back to my colleague for an answer. I used his time, so I thank him for the time.

Mr. REYNOLDS. I will bring this debate to a closure.

Mr. FORD. Mr. Speaker, I just want to know if it is a tax increase.

Mr. REYNOLDS. Then I will not yield so I can complete my question on my time. If the gentleman gets time from his ranking member of this debate, we will certainly continue.

Mr. FORD. I apologize to the gentleman.

Mr. REYNOLDS. Mr. Speaker, in consultation with the Committee on Ways and Means and, of course, this is more appropriate on the underlying legislation, or I suppose even we could request them on the next rule, EIC has been expanded dramatically in this legislation which is going to assist in a number of fashions. I am not exactly sure as the gentleman from Tennessee (Mr. FORD) has outlined a particular part that he has talked about on 11,000; but the EIC is expanded just on the aspect of making sure that we capture helping low income wage earners so that they are not caught in this.

As I said, in my State, the EITC has been extensively of assistance to our poor and low income family wage earners.

I would hope that we can move forward to a closure of this rule on same-day, take a vote on it, see if the body will consider then the rule on the underlying legislation, to consider this legislation so that all Members will have an opportunity to participate in the debate, and then we can have consideration of whether we pass this conference report, which has been 18 months in the making. Most of these are extenders and legislation that all Members are well aware of.

We have had strong bipartisan support for this legislation as has been considered in this body in the past. Otherwise, as I understand it, if we are not able to take this legislation up today, it will cause us to be continuing our work tomorrow if we cannot complete our work today.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I have no further requests for time. May I inquire if the gentleman does.

Mr. REYNOLDS. Mr. Speaker, I have no further speakers, and I am prepared to close.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, before I yield back my time, I will be asking for a "no" vote on the previous question; and if the

previous question is defeated, I would offer an amendment that upon its adoption of the rule, the Enrolling Clerk is instructed to add language to the conference report that does two things:

First, it directs the Secretary of the Treasury to pay for the cost of the bill by rolling back part of the tax breaks for those with incomes exceeding a million dollars annually. These millionaires will still receive a substantial portion of their tax cuts, but this modest rollback covers the cost of this bill for middle-income American families.

Second, it fixes a serious flaw in the conference report that negatively affects our military families. Because combat pay is exempt from taxation, many low-income military families with children are ineligible for the low-income tax credits or the child care tax credits. Democrats would change this so that soldiers would be able to count combat pay as income when applying for both the child tax credits and the earned income tax credit over the next 5 years.

The majority only wants to provide a 2-year extension of the EITC provision. Mr. Speaker, I think most Members want to see the tax breaks in this bill extended, particularly the child tax credit. However, many of us are very concerned about the legislation's substantial price tag, and I think this is a fair and a reasonable way to address that cost.

I want to stress that a "no" vote on the previous question will not stop consideration of the conference report for the tax bill. But a "no" vote will simply allow the House to amend the rule to make the changes necessary to pay for the tax cuts and not increase our already bloated deficit. However, a "yes" vote on the previous question will not allow these changes to be made, will drive up our debt to the tune of \$149 billion.

I urge a "no" vote on the previous question so we can fix the conference report and provide tax relief to those who need it most.

Mr. Speaker, I ask unanimous consent that the text of the amendment be printed in the RECORD immediately before the vote on the previous question.

The SPEAKER pro tempore (Mr. SIMPSON). Is there objection to the request of the gentleman from New York?

There was no objection.

Ms. SLAUGHTER. Mr. Speaker, again, I urge a "no" vote on the previous question, and I yield back the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is important for the record as this has had substantial debate on the underlying bill of future consideration of the next rule. There is only one change to the EIC in this bill which is an expansion for military families, in contradiction to some of the debate before.

The bill allows military families to include combat pay in the EIC and

child credits, and that provision is in the legislation that will be considered later if this bill is now passed as a rule before us.

So to get back to where we are, we have a rule that is requesting consideration of this body of a same-day rule that if we pass it today, we will continue in being able to do our work on a conference report rule to consider the legislation, the underlying bill today. If not, it would seem to me, as I understand it from previous briefings before coming to the floor, if we are not allowed to continue our work today, we will then find ourselves working tomorrow on this legislation because we were not able to complete it today.

So the resolution before us today and the rule is for same-day consideration of the legislation that will be the underlying legislation rule next. I would hope that we could pass this legislation and vote for the previous question so that we can move forward.

Mr. REYNOLDS. Mr. Speaker, when I was responding to Mr. FORD's remarks about those earning under \$11,000 per year, I inadvertently referred to the EIC, when I meant to refer to the refundable portion of the child credit. It is important to note that the bill does not increase taxes on anyone and actually increases the refundability of the child credit for low-income families.

The material previously referred to by Ms. SLAUGHTER is as follows:

PREVIOUS QUESTION FOR H. RES. 785 RULE WAIVING 2/3RDS ON SEPTEMBER 23, 2004 FOR RULE PROVIDING CONSIDERATION OF H.R. 1308 CHILD TAX CREDIT CONFERENCE REPORT

At the end of the resolution add the following new section:

Sec. 2.(a) A concurrent resolution specified in subsection (b) is hereby adopted.

(b) The concurrent resolution referred to in subsection (a) is a concurrent resolution—

- (1) which has no preamble;
- (2) the title of which is as follows: "Providing for Corrections to the Enrollment of the Conference Report on the Bill H.R. 1308"; and
- (3) the text of which is as follows:

#### CONCURRENT RESOLUTION

Directing the Clerk of the House of Representatives to take certain actions in the enrollment of H.R. 1308.

*Resolved by the House of Representatives (the Senate concurring).* That, in the enrollment of the bill, H.R. 1308, the Clerk of the House of Representatives shall—strike the language in the bill that terminates the provision in the bill relating to the treatment of combat pay under the earned income tax credit, so as to make that provision permanent.

Mr. REYNOLDS. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

Ms. SLAUGHTER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

## RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 3 o'clock and 12 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1554

## AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SIMPSON) at 3 o'clock and 54 minutes p.m.

# REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 1308, WORKING FAMILIES TAX RELIEF ACT OF 2004

Mr. REYNOLDS, from the Committee on Rules, submitted a privileged report (Rept. No. 108-699) on the resolution (H. Res. 794) waiving points of order against the conference report to accompany the bill (H.R. 1308) to amend the Internal Revenue Code of 1986 to accelerate the increase in the refundability of the child tax credit, and for other purposes, which was referred to the House Calendar and ordered to be printed.

# WAIVING REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS

The SPEAKER pro tempore. The pending business is the question on ordering the previous question on H. Res. 785 on which further proceedings were postponed earlier today.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question on which the yeas and nays are ordered.

Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic vote on the question of adoption of the resolution.

The vote was taken by electronic device, and there were—yeas 211, nays 196, not voting 26, as follows:

[Roll No. 469]

## YEAS—211

Aderholt	Boehner	Capito
Akin	Bonilla	Carter
Alexander	Bono	Castle
Bachus	Boozman	Chabot
Baker	Bradley (NH)	Chocola
Ballenger	Brady (TX)	Coble
Barrett (SC)	Brown (SC)	Cole
Bartlett (MD)	Brown-Waite,	Collins
Barton (TX)	Ginny	Cox
Bass	Burgess	Crane
Beauprez	Burns	Crenshaw
Biggart	Burr	Cubin
Bilirakis	Burton (IN)	Culberson
Bishop (UT)	Buyer	Cunningham
Blackburn	Calvert	Davis, Jo Ann
Blunt	Camp	Davis, Tom
Boehlert	Cantor	DeLay

DeMint	Jones (NC)	Regula
Diaz-Balart, L.	Keller	Rehberg
Diaz-Balart, M.	Kelly	Renzi
Doolittle	Kennedy (MN)	Reynolds
Dreier	King (IA)	Rogers (AL)
Duncan	King (NY)	Rogers (KY)
Dunn	Kingston	Rogers (MI)
Ehlers	Kirk	Rohrabacher
Emerson	Kline	Ros-Lehtinen
English	Knollenberg	Royce
Everett	Kolbe	Ryan (WI)
Feeney	LaHood	Ryun (KS)
Ferguson	Latham	Saxton
Flake	LaTourette	Schrock
Foley	Leach	Sensenbrenner
Forbes	Lewis (CA)	Sessions
Fossella	Lewis (KY)	Shadegg
Franks (AZ)	Linder	Shaw
Frelinghuysen	LoBiondo	Shays
Galleghy	Lucas (OK)	Sherwood
Gerlach	McCotter	Shimkus
Gibbons	McCrery	Shuster
Gilchrest	McHugh	Simpson
Gillmor	McInnis	Smith (MI)
Gingrey	McKeon	Smith (NJ)
Goode	Mica	Smith (TX)
Goodlatte	Miller (MI)	Souder
Goss	Miller, Gary	Stearns
Granger	Moran (KS)	Sullivan
Green (WI)	Murphy	Sweeney
Greenwood	Musgrave	Tancredo
Gutknecht	Nethercutt	Taylor (NC)
Hall	Neugebauer	Terry
Harris	Ney	Thomas
Hart	Northup	Thornberry
Hastings (WA)	Nussle	Tiahrt
Hayes	Ose	Tiberi
Hayworth	Otter	Toomey
Hefley	Oxley	Upton
Hensarling	Paul	Walden (OR)
Herger	Pearce	Walsh
Hobson	Pence	Wamp
Hoekstra	Peterson (PA)	Weldon (FL)
Hostettler	Petri	Weldon (PA)
Houghton	Pickering	Weller
Hulshof	Pitts	Whitfield
Hunter	Platts	Wicker
Hyde	Pombo	Wilson (NM)
Isakson	Porter	Wilson (SC)
Issa	Portman	Wolf
Jenkins	Pryce (OH)	Young (AK)
Johnson (CT)	Putnam	Young (FL)
Johnson (IL)	Radanovich	
Johnson, Sam	Ramstad	

## NAYS—196

Abercrombie	DeGette	Johnson, E. B.
Ackerman	Delahunt	Jones (OH)
Allen	DeLauro	Kanjorski
Andrews	Deutsch	Kaptur
Baca	Dicks	Kennedy (RI)
Baird	Dingell	Kildee
Baldwin	Doggett	Kilpatrick
Becerra	Doolley (CA)	Kind
Bell	Doyle	Kucinich
Berkley	Edwards	Lampson
Berman	Emanuel	Langevin
Berry	Engel	Lantos
Bishop (NY)	Eshoo	Larsen (WA)
Blumenauer	Etheridge	Larson (CT)
Boswell	Evans	Lee
Boucher	Farr	Levin
Boyd	Filner	Lewis (GA)
Brady (PA)	Ford	Lipinski
Brown (OH)	Frank (MA)	Lofgren
Brown, Corrine	Frost	Lowey
Butterfield	Gonzalez	Lynch
Capps	Gordon	Majette
Capuano	Green (TX)	Maloney
Cardin	Grijalva	Markey
Cardoza	Gutierrez	Marshall
Carson (IN)	Harman	Matheson
Carson (OK)	Hastings (FL)	Matsui
Case	Hill	McCarthy (MO)
Chandler	Hinchev	McCarthy (NY)
Clay	Hinojosa	McCollum
Clyburn	Hoefel	McDermott
Cobles	Holden	McGovern
Cooper	Holt	McIntyre
Costello	Honda	McNulty
Cramer	Hoolley (OR)	Meehan
Crowley	Hoyer	Meek (FL)
Cummings	Inslee	Meeks (NY)
Davis (AL)	Israel	Menendez
Davis (CA)	Jackson (IL)	Michaud
Davis (FL)	Jackson-Lee	Millender-
Davis (IL)	(TX)	McDonald
Davis (TN)	Jefferson	Miller (NC)
DeFazio	John	Miller, George

Mollohan	Ross	Strickland
Moore	Rothman	Stupak
Moran (VA)	Roybal-Allard	Tanner
Murtha	Ruppersberger	Tauscher
Nadler	Rush	Taylor (MS)
Napolitano	Ryan (OH)	Thompson (CA)
Neal (MA)	Sabo	Tierney
Oberstar	Sánchez, Linda	Towns
Obey	T.	Turner (TX)
Olver	Sanchez, Loretta	Udall (NM)
Ortiz	Sanders	Van Hollen
Owens	Sandlin	Velázquez
Pallone	Schakowsky	Visclosky
Pascarell	Schiff	Waters
Pastor	Scott (GA)	Watson
Payne	Scott (VA)	Watt
Pelosi	Serrano	Waxman
Peterson (MN)	Sherman	Weiner
Pomeroy	Skelton	Wexler
Price (NC)	Slaughter	Woolsey
Rahall	Snyder	Wu
Rangel	Solis	Wynn
Reyes	Spratt	
Rodriguez	Stenholm	

## NOT VOTING—26

Bishop (GA)	Istook	Quinn
Bonner	Klecicka	Smith (WA)
Cannon	Lucas (KY)	Stark
Deal (GA)	Manzullo	Tauzin
Fattah	Miller (FL)	Thompson (MS)
Garrett (NJ)	Myrick	Turner (OH)
Gephardt	Norwood	Udall (CO)
Graves	Nunes	Vitter
Herseth	Osborne	

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON) (during the vote). Members are advised 2 minutes remain in this vote.

□ 1618

Messrs. OBERSTAR, FORD and POMEROY changed their vote from "yea" to "nay."

Mr. BALLENGER and Mr. WALSH changed their vote from "nay" to "yea."

Stated for:

Mr. TURNER of Ohio. Mr. Speaker, on roll-call No. 469 I was unavoidably detained. Had I been present, I would have voted "yea."

So the previous question was ordered. The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

# CONFERENCE REPORT ON H.R. 1308, WORKING FAMILIES TAX RELIEF ACT OF 2004

Mr. REYNOLDS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 794 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

## H. RES. 794

*Resolved*, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 1308) to amend the Internal Revenue Code of 1986 to accelerate the increase in refundability of the child tax credit, and for other purposes. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read.

The SPEAKER pro tempore. The gentleman from New York (Mr. REYNOLDS) is recognized for 1 hour.

Mr. REYNOLDS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman